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IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

APPEAL UNDER SECTION 109 No 10 of 1998

with

CIVIL APPLICATION No 193 of 1998

For Approval and Signature:

Hon'ble MR.JUSTICE K.R.VYAS

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : YES

2. To be referred to the Reporter or not? : YES

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

M/S. KOTHARI TRADERS

Versus

M/S. ASHOK IRON AND STEEL

Appearance:

1. APPEAL UNDER SECTION 109 No. 10 of 1998
MR PARESH M DAVE for Petitioner
MR MJ TRIVEDI for Respondent No. 1

2. CIVIL APPLICATIONNo 193 of 1998
MR PARESH M DAVE for Petitioner
MR MJ TRIVEDI for Respondent No. 1

CORAM : MR.JUSTICE K.R.VYAS

Date of decision: 02/03/2001

ORAL JUDGEMENT

This appeal is filed by the appellant- M/s. Kothari Traders under sec. 109 of the Trade and Merchandise Marks Act, 1958 (Hereinafter referred to as "the Act" for short) against the order passed by the Assistant Registrar of Trade Marks dated 6.11.1998 in the matter of opposition No. AMD-51697 and in the matter of application No. 546182, whereby the Assistant Registrar of Trade Marks (respondent no. 2 herein) dismissed opposition No. AMD-51697 preferred by the present appellant and has accepted application No. 546182 filed by the first respondent herein.

The facts leading to the present appeal are as under:

The appellant has been engaged in the business of manufacture of wicks, which the appellant has been manufacturing and selling under the marks of "Samrat Ashok" since the year 1987. It is the case of the appellant that it has made an application for registration of the Trade Mark "Samrat Ashok" for the wicks manufactured by it being Application No. 595667 dated 27.4.1993. The said application is under consideration by the Registrar of Trade Marks and no order is passed till the date. While the application of the appellant is under consideration for the registration of it's marks "Samrat Ashok" for wicks, the first respondent herein, has filed an application being Application No. 546182 for registration of its brand name for wicks also. It may be stated that the respondent no. 1 has got a registration of "Ashok" in Class-11 for wicks Stoves and the same is being renewed by the concerned registry from time to time. Thus, the respondent no. 1 has been granted a registration for it's stove under Class-11 is not in dispute.

The second respondent advertised the application of the first respondent in the Trade Marks Journal No. 1152 dated 1.6.1997 as per the provisions of the Trade Marks Act and vide the said advertisement the objections were invited form the concerned parties. In pursuance to the said advertisement, the appellant vide its notice dated 20.8.1997 filed objections. It appears that the Trade Mark Registry returned the affidavit filed by the appellant herein in the above proceedings on a technical ground that the same was not prepared in a prescribed form and that since the time limit for filing such

evidence had already expired, the matter would proceed for adjudication thereby closing the evidence vide communication dated 24.2.1998. It appears that the appellant, thereafter file an interlocutory petition in the Trade Mark Registry on 7.4.98, praying therein that the affidavit of the partner of the appellant firm sworn on 7.4.1998 be taken on record as further evidence in support of the opposition. The second respondent thereafter took up the matter for adjudication and after hearing the parties, passed the order dated 6.11.98 dismissing the appellant's opposition application and accepted the application of the first respondent herein in Class-11. Hence, the present appeal.

Mr. Paresh Dave, learned counsel appearing for the appellant raised following contentions:

1) The Assistant Registrar for Trade Marks has acted without jurisdiction in holding that the class-11 was the appropriate classification for wicks when wicks are specifically covered under class 4 of the Fourth Schedule of the Trade Marks Act.

2) The impugned order of second respondent is also illegal inasmuch as he has failed to exercise the powers vested in him under sec. 12(3) of the Trade and Merchandise Act.

In the submission of Mr. Dave, the appellant has been using the marks "Samrat Ashok" for wicks from the year 1983 continuously and the first respondent has taken out no proceedings against the appellant for a sufficiently long time and, therefore, the appellant has been only using this marks for the goods manufactured by it and, therefore, the second respondent ought to have allowed concurrent use of the marks to the present appellant.

Mr. MJ Trivedi, learned counsel appearing for the respondent no. 1 submitted that the respondent no. 2 after considering the relevant provisions and more particularly the prescribed class of goods rightly passed the order in favour of the respondent no. 2 which has become final and, therefore, submitted that interference is unwarranted. Mr. Trivedi further submitted that the Schedule-4 is merely a guiding feature and not binding one.

Fourth Schedule of the Trade and Merchandise Marks Rules, 1959 prescribes classification of goods-Names of the classes.

Entry No. 4 of the Fourth Schedule reads as under:

4) Industrial oils and greases (other than edible oils and fats and essential oils) lubricants; dust laying and absorbing compositions; fuels (including motor spirit) and illuminants; candles, tapers, nightlights and wicks.

Entry No. 11 of the Fourth Schedule reads as under:

11) Installations for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.

There is no dispute to the fact that the application of the appellant herein is under consideration for the registration of its mark "Samrat Ashok" for wicks under Class-4 is undecided and the first respondent herein has filed an application for registration of its brand name for wicks also namely "Ashok" for wicks under Class-11 of the Fourth Schedule.

The Assistant Registrar of the Trade Marks, the respondent herein, was of the view that all kinds of wicks would not fall in Class-4; that the wicks stoves covered under the impugned application have correctly been given in class-11 by virtue of purpose, use and nature in consonance with the goods covered under the registered trade mark of the first respondent, and therefore, the objections raised by the appellant was only to harass the first respondent.

In my opinion, the said finding recorded by the second respondent is not proper and it is a case of clear misreading the relevant entries. Class-4 of the Fourth Schedule specifically by name covered wicks. Since no inclusion provided under class-4 as regards any type or kind of wicks, it includes all types of wicks. On the other hand, class-11 covered only the apparatus, for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purpose etc. Class-11 does not even remotely covers wicks and, therefore, the observations made by the second respondent namely that the wicks of the stoves were covered under class-11, are erroneous and improper. Once there is a specific entry for classification is there, it must be preferred to a general heading or entry

for classification as specific excludes general. I am supported in my view with the decision of the Supreme Court rendered in the case of Moorco (India) Ltd. vs. Collector of Customs, Madras, reported in 1994(74) E.L.T. 5(S.C.). The Apex Court observed that the specific heading of classification has to be preferred over general heading. The clause contemplates goods which may be satisfying more than one description. In other words, between the two competing entries, the one most nearer to the description should be preferred. Where the class of goods manufactured by an assessee falls say in more than one heading one of which may be specific, other more specific, third most specific and fourth general. The rule requires the authorities to classify the goods in the heading which satisfies most specific description.

Mr. M.J. Trivedi learned counsel appearing for the respondent however tried to distinguish the said judgment of the Apex Court by contending that it has no application to the facts of the case as the same was rendered not in trade mark matter. It is not possible for me to accept the said contention. Whether it was Customs Tariffs Act or the Trade and Merchandise Marks Act, whenever the question arise for considering or interpreting the entry, the principle laid down is required to be considered.

Mr. Trivedi however, after inviting my attention to the provisions of Section 16 of the Trade and Merchandise Marks Act submitted that the respondent was justified in filing application under Class-11. Section 16 deals with the registration of the trade marks as associated trade marks.

Section 16(1) reads as under:

"16. Registration of trade marks as associated trade marks.- (1) Where a trade mark which is registered, or is the subject of an application for registration, in respect of any goods is identical with another trade mark which is registered, or is the subject of an application for registration, in the name of the same proprietor in respect of the same goods or description of goods or so nearly resembles it as to be likely to deceive or cause confusion if used by a

person other than the proprietor, the Registrar may, at any time, require that the trade marks shall be entered on the register as associated trade marks."

In the submission of Mr. Trivedi, the respondent no. 1 has got a registration marks "Ashok" in class 11 for wicks of stoves which is apparatus for cooking. The stove would be covered in class 11 of the Fourth Schedule of the Trade and Merchandise Marks Act, and therefore, the respondent no. 2 has rightly registered "Ashok Wicks". In my opinion, section 16(1) will have no application to the facts of the case for the simple reason that class-11 could not be considered to be even a general entry for wicks inasmuch as accessories of apparatus for cooking are not covered thereunder. Since wicks being an accessory of the stove, at the most under class-11 only stove can be considered as an apparatus for cooking and, in no case, wicks would be included. The Apex Court in the case of State of U.P. & Anr. vs. M/s. Kores (India) Ltd., reported in AIR 1997 SC p. 132, while considering the Uttar Pradesh Sales Tax Act (15 of 1948), Section 3A and the Notification issued by the Government while holding that entry "Typewriters and parts thereof" "Typewriter ribbons" do not come within the expression and cannot be taxed thereunder, observed as under:

"Typewriter ribbon is an accessory and not a part of the typewriter (unlike spool) though it may not be possible to use the latter without the former. Just as aviation petrol is not a part of the aeroplane nor diesel is a part of a bus in the same way, ribbon is not a part of the typewriter though it may not be possible to type out any matter without it."

Applying the same principle, I hold that wicks is not a part of the stove because stove is complete without wicks though wicks may be necessary for the use of the stove as apparatus of cooking, it would not make wicks a part of the stove.

Mr. Dave learned counsel appearing for the appellant invited my attention to Section 12(3) of the Trade and Merchandise Marks Act and submitted that the appellant is entitled to have a registration of their product "Samrat Ashok Wicks" on the ground of honest

concurrent use. Section - 12 of the Act prohibits registration of identical or deceptively similar trade marks. However, sub-section(3) of Section-12 authorises the Registrar to permit the registration by more than one proprietor of trade marks which are identical or nearly resemble each other in respect of the same goods or description of goods, subject to such conditions and limitations, if any, as the Registrar may think fit to impose, if he finds that the parties made out a case of honest concurrent use or of other special circumstances are there. As far as the appellant is concerned, way back on 17th June, 1983 the respondent no. 1 through their Attorney served a notice to the appellant informing them not to stock, sell or offer for sale wicks for oil stoves as "original ASHOK stove wicks", which in turn, was disputed by the appellant by their reply dated 3.8.1983. Thus, the appellants are admittedly in the business of manufacturing and selling of wicks since 1983, not only that, but have applied for registration of wicks by using the mark "Samrat Ashok" on 27.4.1993 which is still not decided by the Registrar, and on the contrary, the application for registration preferred by the respondent no. 1 dated 1.6.1997 was not only entertained but was also allowed. The respondent no. 2 could have considered the provisions of Section 12(3) of the Act and could have permitted registration as this being a case of honest concurrent use.

The aforesaid discussion would lead me to conclude that the wicks are covered under class 4 of the Fourth Schedule to the Trade and Merchandise Marks Act and the respondent no. 1 is not entitled in law to register the wicks under class-11 of Fourth Schedule of the said Act. The contentions raised by Mr. Trivedi that as the Registrar has decided the class within which the goods shall fall and the said decision is final in view of the provisions of section 8 (2) of the Act, this Court is not entitled to interfere, I am of the opinion that even the said contention is also devoid of any merits in view of Section -109(2) of the Act, which specifically authorises the High Court to decide the appeals irrespective of the bar under section 109(1) or any other provisions of this Act. As observed earlier, the decision of the respondent no. 2 is a clear case of misreading of entry, which is required to be interfered with and I accordingly allow this appeal and set aside the order dated 6.11.1998 passed by the second respondent in the matter of Opposition No. AMD-51697 filed by the present appellant and Application No. 546182 made by respondent no. 1 herein by holding and declaring that the wicks are covered under class-4 of the Fourth

Schedule of the Act and the respondent no. 1 is not entitled in law to get registration of wicks in class-11 of Schedule-4 of the Act.

The appeal is accordingly allowed with no order as to costs.

(K. R. VYAS, J.)
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